



Broker Buzz

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Get the Latest Health Care Reform News

We have placed a "Health Care Reform" button on the home page of the broker portal of MVP's Web site. This button will link brokers and others to information about health care reform, the timeline when different mandates go into effect, and what MVP is doing to become compliant. In addition, there is information about MVP's recent decision to coverage eligible dependents to age 26.



This information is updated regularly, so check back often. If there is breaking news to share, we'll post it in Broker Buzz or Broker Bulletin so that you always have the latest info.

A.M. Best Removes "Under Review" Rating for MVP Subsidiaries

In a news release distributed on June 11, the A.M. Best Co. announced it has removed its "Under Review with Negative Implications" rating for all MVP Health Care, Inc. subsidiaries. A.M. Best also:

- Affirmed its B+ (Good) rating of MVP Health Plan,

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- Inc. and the MVP Health Services Corp.
• Affirmed the financial strength rating of "B" (Good) of MVP Health Insurance Company and Preferred Assurance Company.

According to the A.M. Best release, these ratings reflect MVP's positive operating and net income results and good level of risk-based capital.

For A.M Best's Credit Ratings, an overview of the rating process and rating methodologies, please visit www.ambest.com.

Prior Approval Passes in Budget Extension Bill



The Legislature, late Monday evening agreed to Governor David Paterson's one-week budget extension bill that includes approximately \$385 million in cuts to health care spending.

Within this extension bill, a measure for health insurers to require Prior Approval of health insurance rates by the

Superintendent of Insurance and increased expected minimum loss ratios (MLRs) to 82 percent (up from 75 percent), was passed. The current Federal MLR is 80 percent, and it is not yet known whether the manner in which MLRs will be measured by New York State and Federal regulators will be consistent. For prior approval, the New York MLR minimum loss level will supersede the Federal level.

Also, please note prior approval is effective immediately for coverage beginning on and after October, 1, 2010. While it is unclear at this time, there is a possibility that the approved fourth quarter rates for 2010 you have been quoting for your clients, will change.

Prior approval applies to community-rated products, including large group. Also, prior approval will require MVP and other health plans to provide a 60-day advance

written notice of rate changes to employers and subscribers. This is a change from a 30-day advance notice.

MVP **opposes** prior rate approval because:

- It imposes price controls on health insurers and ignores the real reason for rising health insurance premiums- increases in the underlying cost of health care services, such as increased utilization and an aging population, higher hospital costs (both in and outpatient), physician and drug costs, to name a few. Prior approval and the price fixing of premium rates does nothing to address those underlying costs.
- The bill is inconsistent with the new federal reform-different MLRs and different methodology and rules. The timeline to file and gain approval of rates will be a significant challenge.
- There are concerns that in order to deliver on the \$70 million in savings the bill promises, there will be pressure on the Insurance Department to lower rates, that even if plans submit rates that meet the 82 percent MLR, are actuarially sound and meet all of the bill's requirements. If that happens, health plans will be forced to lose money.

MVP hopes to work with the Insurance Department to come to some consistency and understanding of the significant challenges the bill has posed in relation to prior approval requirements.

Plans Not Available for Renewal in 2010

The following health plans will not be available to any employer group that renews between July 2010 and December 2010:

- EPO 4 and 5
- US-Direct 5 and 6

These plans are not available during the above timeframe as they do not meet the requirements of the Federal

Mental Health Parity mandate.

The plans are having necessary changes made for compliance and will be refilled for regulatory approval so that they can be offered once again for January 1, 2011 coverage. If you clients that have renewals for these plans during the aforementioned time, please contact your Account Representative for assistance.

Update: Prescription Benefit Changes for 2010



In January 2010, the new MAC prescription drug pricing and 90-day mail order prescription pricing to change to 2.5 times the 30-day retail copay, went into effect upon some employer groups' benefit start date at Medco (Jan. 1, 2010), rather

than upon the groups' renewal date. This may have caused members to overpay for prescriptions.

This issue has been resolved. MVP Health Care is currently running impact reports to identify members who have overpaid so reimbursements can be distributed to members.

Pharmacy Policy and Formulary Updates

Kapidex Name Change

Effective in late April 2010, Takeda Pharmaceuticals North America Inc. will market Kapidex under the new name Dexilant. Since Kapidex was approved in January 2009, there have been reports of dispensing errors because of confusion with the drugs Casodex (bicalutamide) and Kadian (morphine sulfate). This is a name change only. Dexilant will be subject to the same quantity limits and prior authorization requirements as Kapidex was.



Medication Prior Authorization Forms

All current medication prior authorization forms can be found on our [Web site](#). Recently added or updated were forms for Immunoglobulin Therapy, Angiotensin Receptor Blockers and Proton Pump Inhibitors.

Policy Updates effective June 1, 2010

Antibiotic/Antiviral Prophylaxis

- The antiviral therapeutic class was added to this policy

Injection Medications for Lyme Disease

- Administration of this policy has been transferred to the MVP Pharmacy department
- Establishes prior authorization criteria per ISDA guidelines for the use of ceftriaxone (J0696), cefotaxamine (J0698) and penicillin G potassium (J2540) when used to treat Lyme disease

Antimalarial Drugs

- Coartem was added to the policy

Hepatitis Agents

- Intron-A, Pegasys and Viread were added to the policy. Pegasys requires prior authorization

Medicare Part B vs. Part D Determination

- Clarification as to when a drug is considered to be a Part B drug was added

The following policies were reviewed and approved without any changes to criteria:

- Zyvox
- Onychomycosis
- Physician Prescription Eligibility
- Prescribers Treating Self/Family Members

The following policies were archived:

- Copayment Adjustment for Medical Necessity

Formulary Updates for Commercial Members

The MVP Formulary is updated after each Pharmacy and Therapeutics Committee meeting. The most current version is available online at www.mvphealthcare.com. Simply visit the site's *Broker* section and under *Pharmacy*, click on *Formulary*. Unless otherwise noted, the following Formulary information is effective June 1, 2010.

New drugs (recently approved by the FDA, prior authorization required, Tier 3)

- Actemra (medical benefit)
- Ampyra (must be obtained from CuraScript)
- Chenodal
- Revatio Injection (must be obtained from CuraScript)
- Victoza (diabetic benefit)

Drugs added to Formulary (Tier 1)
ciclopirox (generic Loprox Shampoo)
imiquimod (generic Aldara)
nizatidine (generic Axid Solution)
oxcarbazepine (generic Trileptal)
pramipexole (generic Mirapex)
tamsulosin (generic Flomax)

Drugs not added to the Formulary (Tier 3)
Valcyte Solution

Drugs removed from Formulary* (change from Tier 2 to Tier 3)
Flomax

*Affected members will receive a letter if further action is required (i.e. contacting the prescriber for a formulary alternative)

Drugs removed from prior authorization
Acuvail
Caldolor (medical benefit)
Colcrys
Effient
Extavia
Feraheme (medical benefit)
Invega Sustenna (medical benefit)
Multaq
Onglyza* (diabetic benefit)
Saphris
Sumavel DosePro (subject to step & quantity limits)

All medications are non-formulary, Tier 3 unless otherwise noted above). *Effective 4/2010

Drugs determined to be not covered:
Ixiaro
Juvederm Ultra XC
Juvederm Ultra Plus XC

Formulary Updates for Medicare Part D Members

Medicare Part D Formulary Available From ePocrates®

The following are recent updates to the Medicare Part D Formulary. A more detailed document can be found by clicking [here](#).

Policies, where applicable, can be found on our Web site by [clicking here](#) or [here](#).

Drug Name	Tier	Prior Authorization Required
ciclopirox shampoo	1	No
levalbuterol 1.25mg nebs	1	Yes
chlorothiazide 500mg vial	1	No
Besivance	3	No
Cetraxal	5	No
Savella	3	No
Pramipexole (.125mg, .25mg, .5mg, 1mg, 1.5mg)	1	No
Mozobil	4	Yes
Invega Sustenna	3 or 4*	No
Vectical	5	No
Sancuso	3	Quantity limits apply per policy
Fanapt	3	Yes
Sabril	4	Yes
Fusilev	3	Yes
Votrient	4	Yes
Arzerra	4	Yes
Mozobil	4	Yes

The following drugs were removed from the Formulary:

Drug Name	Reason for Change	Effective Date
A-B Otic	Deemed as a non-Part D drug by CMS	6/1/2010
antipyrine-benzocaine	Deemed as a non-Part D drug by CMS	6/1/2010
Avar	Deemed as a non-Part D drug by CMS	6/1/2010
colchicine	Deemed as a non-Part D drug by CMS	6/1/2010
lidocaine-hydrocortisone	Deemed as a non-Part D drug by CMS	6/1/2010
Numoisyn	Deemed as a non-Part D drug by CMS	6/1/2010
selenium sulfide	Deemed as a non-Part D drug by CMS	6/1/2010
phenylephrine	Deemed as a non-Part D drug by CMS	6/1/2010
Selenos	Deemed as a non-Part D drug by CMS	6/1/2010
Na sulfacetamide-sulfur	Deemed as a non-Part D drug by CMS	6/1/2010

Topisulf	Deemed as a non-Part D drug by CMS	6/1/2010
Loprox Shampoo	Generic is available	7/1/2010
Xopenex Nebs 1.25mg	Generic is available	7/1/2010
Diuril Sod 500mg vial	Generic is available	7/1/2010



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